



Corporation of the Township of Brock

Staff Report to the Mayor and Members of Council

From: Chris Robinson, CBCO

Position: Chief Building Official (CBO)

Title / Subject: New Building By-law and Permit Fees

Date of Report: October 29, 2024

Date of Meeting: November 18, 2024

Report No: 2024-DS-013

1.0 Issue / Origin

In 2023, Council approved a new Building By-law and permit fee schedule. Throughout the year, staff have actively monitored permit fees and costs associated with providing administration and enforcement of the Ontario Building Code (OBC) and Building Code Act (BCA) within the Township of Brock.

Staff are recommending some revisions to the Building By-law and an increase above the annual 2% fee increase for some permit fees.

2.0 Background

A Building By-law that is enacted through a municipality allows for administrative powers such as prescribing classes of permits, requiring payments of fees and prescribing the use of various forms respecting permits which is governed under Section 7 of the BCA.

The BCA allows permit fees to be set to recover the costs associated with the administration and enforcement of the Act as well as reasonable contributions to a reserve fund. The reserve fund can be used to offset lean years, implement service enhancements, and cover unexpected expenses related to our duties.

3.0 Analysis

The proposed by-law includes important changes, such as, but not limited to, new fees for items like expanded additional inspection requirements and abandoned permit applications, wording to address site conditions during the construction process and updated defined terms have also been provided.

An internal comprehensive fee review was conducted that included reviewing the fees of surrounding municipalities that border the Township of Brock, as well as municipalities that are within the Region of Durham and others and is attached to this report. This is further discussed in the financial portion of this report.

It is imperative that the Township's fees reflect the cost of providing the department's service to ensure the associated costs for service delivery are covered by permit holders.

An in-depth list of what requires a permit, and associated fees have been updated within the proposed by-law and schedules attached to this report. The fee schedule shows costs through 2028 to help provide transparency to those looking to do works within the Township now and in the future and what will require a permit.

4.0 Related Policies / Procedures

The Building By-law is established under the Ontario Building Code Act. Building By-law 3229-2023-PP as amended.

5.0 Financial / Budget Assessment

While permit applications and issued permits have been lower in 2024, revenue has seen an increase of approximately 40% from 2023 to 2024 due to the new fee schedule and captured permit fees under the current Building By-law. This is due to fees being increased to a median level for 2023 within Durham Region and additional fees that did not previously exist in the by-law.

With the new 2024 Ontario Building Code being implemented as of January 1, 2025, there will be increases in direct costs for building staff to deliver services as the new code requirements will have impacts on complete applications, plans review and inspection requirements for the department.

Other municipalities are proposing fee increases ranging from 30% in 2024 to 113.6% through 2028 (28.4% per annum) for administration and enforcement of the OBC and BCA.

Other costs are increasing that also play a role in the need for fee increases, such as, but not limited to, inflationary increases, cell phones and related items, vehicle maintenance and reserves, training, and capital costs to cover replacement items.

The proposed fees contain increases that range from 0% to 27% with the higher increase proposed on full occupancy types - Classes A (assembly) through F (low to high hazard). Nearly 50% of permit fees will only see the 2% increase that is done annually as already outlined in the approved Building By-law.

Due to a below average permit year, the reserves for the Building Department will be depleted after 2024. The Building Department reserve should contain a reasonable fund

of 1.5 to 2 times an annual budget to help ensure costs are covered in lean years. The proposed fee schedule will aid in ensuring the Township is able to build a reserve fund over time which can lead to repayment of funds that may have had to be provided to the Building Department from the tax base or rate stabilization reserve.

The comparable fee attachment shows that with the proposed fee schedule, the Township's proposed fees will maintain a median level throughout the surrounding area and will help ensure our service costs are covered when an average year occurs.

6.0 Climate Change Impacts

N/A

7.0 Communications

As per the requirements of the Ontario Building Code and BCA, a public meeting is required where a change in fees is proposed above what has been prescribed. Notice of the public meeting and proposed change in fees was provided in accordance with the Ontario Building Code and BCA. Notice was posted on the Township's website and social media platforms and it was also included in the Township newsletter on October 11, 2024.

8.0 Conclusion

Township staff recommend that the Building By-law appended to this report be considered for adoption at a future Council meeting to reflect the costs of the Building Department services, subject to the consideration of all public, Council and agency input.

9.0 Recommendation

Be it resolved that report number 2024-DS-013 entitled New Building By-law and Permit Fees report, be received; and

That staff be directed to consider all public, Council and agency input and bring back the new Building By-law for Council approval on December 16.